See Page 2 for Labor Conference Resolution on Wagner Industrial Disputes Bill

AMERICAN FEDERATION OF LABOR

WEEKLY NEWS SERVICE

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WHOLE NO. 1255 — WILLIAM GREEN, President — WASHINGTON, D. C., SATURDAY, MAY 4, 1935 — FRANK MORRISON, Secretary — VOL. 25, NO. 18

By taking revenge, a man is but even with his enemy; but in passing over it he is superior.—Bacon.

Wagner Declares Labor Disputes Bill Would Eliminate Industrial Strife

New York Senator Maintains Effective Collective Bargaining, Based On Majority Rule And Abolition of Company Unions, Will Make Strikes Unnecessary.

Claims This Method Was Used By War Labor Board and Works Well in Railroad Industry — Denies "Compulsory Agreement" and "Closed Shop" Canards.

By A. F. of L. News Service.

New York.—Senator Robert F. Wagner of New York made a spirited and instructive defense of his Labor Disputes Bill, now before the United States Congress, in a radio debate here over station WOR with Clinton L. Bardo, president of the anti-labor National Association of Manufacturers.

In emphasizing the heavy cost of strikes as a method of settling industrial disputes, Senator Wagner stated that between 1915 and 1921 an "average of 1,740,000 per year idle—resulting in the prodigious waste of 50,000,000 working days every twelve months."

He cited figures which claimed that the cost of labor disputes in the United States between 1915 and 1925 totalled over twelve billion dollars, of which over ten billion dollars was borne by the general public.

"It is clear that in America industrial peace must be based upon reason rather than force," he said. "We have always cherished the ideal of employers and workers working together with friendly and open minds in order that they may exchange views and arrive at solutions grounded not in compulsion but in mutual concessions and mutual benefits. This may be termed the method of conference, of give and take, of free cooperation."

Majority Rule

The railway industry was mentioned by the New York Senator as the "best example of the conference or voluntary method" of ironing out industrial disputes between employers and employes. In this industry, he said, the government long ago sponsored the device of "secret elections" of representatives "for collective bargaining in which the principle of majority rule applied.

"In practice," he pointed out, "it was discovered that majority rule was best for employers as well as employes. Workers found it impossible to approach their employer in a friendly spirit if they remained divided among themselves. Employers likewise found it more satisfactory to confer voluntarily with a united and contented group of workers than with a group torn by internal dissension. Singleness of purpose and responsibility on each side gave to business transactions that stability which every employer desires.

Labor Representatives

"Another necessary condition of peace was that the representatives of the workers should gain their con-

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UNEMPLOYMENT INSURANCE PRAISED BY GOV. LEHMAN

By A. F. of L. News Service.

Confidence that the New York State Unemployment Insurance Act will result in a large degree of protection against the suffering imposed upon workers by prolonged periods of compulsory idleness was expressed by Governor Lehman in Albany when he signed the bill. He said:

"I am most happy to append my signature to this bill which establishes unemployment insurance for the working people of the State of New York. For three years I have repeatedly recommended to the Legislature the passage of such a bill. And so, I am very pleased to be able to place this law permanently upon the statute books of our State.

"In my mind it stands out as the most progressive and enlightened piece of social legislation enacted in this State in many decades.

"The people of the State of New York should feel proud that it is once again leading the nation in legislation which will increase the economic and social security of its working people, cushion the hardships of economic depressions, and advance the general well-being."

JOBLESS CENSUS PLANNED AS WORK-RELIEF PROJECT

By A. F. of L. News Service.

A real census of unemployment in the United States will soon be undertaken, according to an announcement by Government officials in charge of administering new Federal work relief projects under the $4,880,000,000 appropriation recently made by Congress. The enumeration will be made by jobless white-collar workers.

The need for reliable information on the number of unemployed has been felt for some time. The most widely used estimate of unemployment is that which has been published monthly for over three years by the American Federation of Labor. This estimate has been formed by taking the 1930 census as a base and bringing the figures up to date from reports of other governmental agencies. For March the A. F. of L. estimated there were in excess of 11,000,000 unemployed. During that month trade unions reported 22 per cent of their members unemployed as compared with 25 per cent in March, 1934.

The U. S. Census Bureau in 1931 published an unemployment census based on an investigation made in certain typical large industrial cities. The Government figures were 2 per cent lower than the estimate of the Federation of Labor estimate for the same period.

The National Unemployment Conference Board, with headquarters in New York City, has also published unemployment statistics.

The data on unemployment prepared by the Federation of Labor each year are used by the International Labor Office in Geneva, Switzerland, in its reports on unemployment. The last quarterly report made a rought calculation that in March, 1935, there were around 22,000,000 unemployed in 29 principal countries.

BANK FAILS; GOVERNMENT REIMBURSES DEPOSITORS

Milford, Kans. (AFLNS).—The advantages of government insurance of bank deposits is exemplified in the experience of 281 depositors in the State Bank of Milford, which was recently closed.

The losses of the depositors were fully covered by the Federal Deposit Insurance Corporation in Washington, which reimbursed the depositors shortly after the bank failed.

Millions of Our Dependent Aged Require Pensions, Doughton Says

Chairman of House Ways and Means Committee States That 6,500,000 Over 65 Must Be Cared For—Security Bill Appropriates $49,750,000 For State Aid.

By A. F. of L. News Service.

The old-age pension section of the Social Security Bill, which is now before the United States Senate, starts relief for our indigent aged in a tangible manner.

It provides Federal aid to State old-age pensions up to 50 per cent of their pension expenditures but not exceeding $15 per month per person. For the first year, the bill authorizes an appropriation of $49,750,000.

The measure stipulates that old-age pensions be so administered as to permit the granting of pensions to persons 65 years of age or over, but permits the existing State laws which have a five-year minimum to remain in operation until 1940.

In his speech to the House of Representatives explaining the old-age insurance section of the bill, Robert L. Doughton, chairman of the Ways and Means Committee which reported the bill, said:

Great Social Problem

"A number of factors combine to make the old-age dependency one of our greatest social problems.

"The number of aged persons in our population has been increasing for several decades. In 1930 there were 6,500,000 persons in this country over 65 years of age. Within the next 35 years it is estimated that this number will increase to 13,000,000, reaching a total of 15 million persons.

"Not only is the number of aged persons rapidly increasing, but the percentage of persons over 65 years of age to the total population is also rapi-

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SEC BARS STOCK ISSUE

Holds $71,000 "Promotion Fee" Excessive; Contract Is a "Sham"

By A. F. of L. News Service.

Washington.—A fair sample of the efforts of the Securities and Exchange Commission to protect investors from misleading statements made by corporation officials in stock promotion schemes is shown by the Commission's action in suspending the securities registration statement of the Brandywine Brewing Company of Washington.

The promoters of the venture purchased certain property near Brandywine, Md., and sold it to the company. The company placed a value of $1 a share on its stock, gave the promoter 71,900 shares for "services" and included in the list of assets filed with the registration statement $71,900 charged as "promotion expense." The Commission held that the payment to the promoter of this amount of stock at the value given was "so grossly and unreasonably excessive" as to constitute "a misstatement of a material fact."

The Commission also held that a 10-year contract mentioned in the company's prospectus "to hold forth false promises of profit as an inducement to investors to purchase its stock."

On these findings the Commission suspended the registration statement of the Brandywine company.

Senator Borah Urges Ban On New Loans to Europe

Washington (AFLNS).—Senator William E. Borah of Idaho believes that withholding of American funds is the best way to reduce the war fever which continues to animate European governments. To carry this policy into effect he introduced a bill to prohibit any new public or private loans to foreign governments except those on the American continent. He expressed his conviction that any money lent to Europe "is in aid of war."

Guffey Coal Bill Held Necessary To Protect Miners and Operators

Senate Commerce Committee Says "Ruthless Competition" Lowers Workers' Living Standards and Throws Companies Into Insolvency.

By A. F. of L. News Service.

The Guffey Coal Stabilization bill, introduced in the United States Senate by Senator Joseph Guffey of Pennsylvania, the prompt enactment of which was demanded by the Conference of Representatives of National and International Unions, State Federations of Labor, and City Central Bodies, held in Washington on April 29, is designed to improve the economic conditions of both coal miners and operators in the bituminous industry and to benefit the general public as well.

Objects of Bill

After exhaustive hearings on the bill, the Senate Committee on Interstate Commerce reported it favorably.

The objects of the bill, the report said, are:

"1. To stabilize the bituminous coal-mining industry and promote interstate commerce in bituminous coal.

"2. To provide for cooperative marketing of bituminous coal.

"3. To levy a tax on bituminous coal and provide for a drawback under certain conditions.

"4. To declare the production, distribution, and use of bituminous coal to be affected with a national public interest.

"5. To conserve the bituminous coal resources of the United States and to establish a national bituminous-coal reserve.

"6. To provide for the general welfare, and for other purposes.

Great Basic Industry

"The production of bituminous coal constitutes one of this country's greatest basic industries. Upon its service the successful operation of our transportation facilities and the prosperity of a majority of all our other impor-

(Continued on Page 2)

Senate Committee Says 30-Hour Bill Will Give Millions of Jobless Work

Reduction In Wages For Employes Affected Is Prohibited—Decreased Production Cost Visioned—Measure "Proposes An Effective Blow at the Menace of Unemployment," Report Says.

By A. F. of L. News Service.

The Black-Connery Thirty-Hour-Week Bill, the immediate enactment of which was urged by the Conference of Representatives of National and International Unions, State Federations of Labor and City Central Bodies which met in Washington April 29 at the call of William Green, president of the American Federation of Labor, was introduced in the Senate by Senator Robert F. Wagner of New York and in the House of Representatives by Representative William P. Connery, Jr., of Massachusetts. On March 19 it was favorably reported by the Senate Judiciary Committee.

The object of the measure is to provide jobs for millions of the unemployed. The method used is to prevent the shipment in interstate commerce of certain articles in connection with which persons are employed more than five days a week or six hours a day.

In recommending enactment of the measure the report of the Judiciary Committee said:

Wages Must Be Maintained

"In addition to providing a shorter work week and work day, this bill would prohibit any reduction in the hourly, daily, weekly, or monthly wages of employes affected by it, pending a reasonable opportunity for discussion and agreement between employers and the duly selected representatives of a majority of their employes.

"The bill contemplates the employment of America's jobless men and women in private industry by giving work to all who desire it at shorter hours, instead of giving work to a part of the people at longer hours. The measure proposes that the employed more than five days a week

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Company Unions Fail As Genuine Collective Bargaining Agencies

Twentieth Century Fund Finds that Corporation Officials Dominate the "Unions" Which They Finance; Employe Representatives Are Rendered Subservient by Fear of Discharge.

By A. F. of L. News Service.

Washington.—Denial of the claim that company unions are adequate agencies of the workers for collective bargaining is contained in the report on this form of organization made by the Twentieth Century Fund.

The investigation made by fund's staff found that company unions had increased rapidly since World War, and were organized extensively by anti-union employes after Congress enacted the National Recovery Act in 1933, although Section 7-A of the Act was intended to outlaw company promoted and financed unions. It was estimated that employers have imposed the company union scheme upon 2,500,000 workers.

Among the specific reasons cited for the failure of company unions to operate as genuine collective agencies, the report included the following:

Discharge Fears

1. While many plans have guarantees against discrimination, company union representatives, being on the employers' payroll, are handicapped by fear that they may be discharged, disciplined or otherwise penalized by the employer if they are to aggressively. This willingness for an employe to hold his job makes it impossible for him to represent his fellowemployes as energetically as while heartedly, with respect to those matters that count most—hours, work-

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Erlanger Mill Discriminated Against Union Members, Textile Board Says

By A. F. of L. News Service.

Washington.—After a thorough investigation, the Textile Labor Relations Board found the Erlanger Cotton Mills, Inc., of Lexington, N. C., guilty of violating the collective bargaining section of the National Recovery Act and ordered the company to reinstate nine of its former employes who were discharged for participation in strike activities around the Lexington Silk Mill during the general strike last September.

The company claimed that all of the discharged employes were members of the so-called "flying squadrons" which operated in the textile region during the strike.

On this claim the Board found that "the proof submitted by management fails entirely to establish individual conduct of such a nature as to violate the discrimination inhibited in the discharges of complainants of union activities."

The Board served notice that unless it received information in writing from the company within fifteen days that it had placed the nine on a preferential list for reinstatement, the alleged violation of Section 7-A of the Recovery Act would be turned over to the NRA Compliance Division for appropriate action.

$56,000,000 New York Relief Bond Issue Goes to Voters

By A. F. of L. News Service.

Albany, N. Y.—The bill submitted to the people of New York State a $56,000,000 bond issue for continuing the unemployment relief program was signed here by Governor Lehman. The proposal will be voted on next November.

If the bond issue is approved, $20,000,000 will be used to continue the state public works program and $35,000,000 will be devoted to rehabilitating localities unable and unwilling to raise their portion of their expenditure for unemployment relief. Last year the people approved a $40,000,000 bond issue for unemployment relief.

PREVENTABLE CAUSES KILL 250,000 BABIES ANNUALLY

By A. F. of L. News Service.

A quarter of a million babies die annually in the United States from lack of proper medical care, according to Miss Josephine C. Roche, Assistant Secretary of the United States Treasury. In an address on this subject before the twenty-fourth annual meeting of New York City by the American Association for Social Security, Miss Roche said:

"There were 342,978 deaths in 1923 there were 250,000 from preventable causes. Of the 120,000 babies under one year of age who died that year one-half of the deaths could have been prevented. There were 74,000 deaths from tuberculosis. This figure could have been cut in half had known methods of prevention been available and used. Not more than half the State health department are adequately staffed or satisfactorily equipped to render the service they alone can give."

AMERICA'S JOBLESS NUMBER 11,500,000

Green Declares Private Industry Re-employed Only 123,000 in March Compared with 590,000 Last Year; 4,396,000 Families Are Being Supported by Relief Funds.

By A. F. of L. News Service.

Washington.—The number of jobless workers in the United States is estimated as a alarming total of 11,500,000, with private industry doing relatively nothing to put the unemployed back to work, declared William Green, president of the American Federation of Labor, in his current report on unemployment. To remedy in part this nation-wide lockout imposed by those who own and control industry, the Government is providing work for nearly 3,000,000 jobless and has 4,618,000 families on relief rolls.

"The employment gain in March and April this year was so slight as to be of little consequence in putting the unemployed to work," Mr. Green said. "Only 123,000 persons went back to their jobs from February to March, while the number still out of work approached 11,500,000.

"In April trade union reports for the first part of the month show a decrease in unemployment affecting only five-tenths of one per cent of the membership; weighted union figures show 15.3 per cent out of work in April (preliminary, for first part of month) compared to 19.4 per cent in March and 20 per cent in February.

"The employment gain in March this year is much less than in March last year—123,000 as compared with 590,000 last year. The trade union employment gain in April is also less than last year. The spring business rise this year came earlier than last and was ended by February, while last year's rise continued till May.

"During March and April, last year, employment was still rising rapidly while this year the spring recovery has been small; therefore, the employment gain over last year of 832,000 (590,000 plus 242,000) has almost disappeared and it is now clear that peak employment this spring will be no higher than last year, if as high. We estimate that employment was as of March, 1935, at 29,058,000, compared to 29,005,000 in March last year.

"While in March the manufacturing industries provided 127,000 more jobs in March, 1935, than in March of last year, more than 200,000 jobs were lost on railroads and 25,000 in building construction. Also, we must not forget that, while the La-

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WAGNER BILL REPORTED BY SENATE COMMITTEE

Measure Is Strengthened by Compulsory Bargaining Provision—Outlaws Company Unions — Sets Up Independent Labor Relations Board.

By A. F. of L. News Service.

Washington.—Senator David I. Walsh of Massachusetts, chairman of the Senate Committee on Education and Labor, announced that the committee had agreed to the outlines covering the Wagner-Connery Industrial Disputes Bill.

The committee action was taken on the same day the Conference of Representatives of National and International Unions, State Federations of Labor and City Central Bodies, convened by William Green, president of the American Federation of Labor, had demanded the prompt enactment of the Wagner-Connery Bill to make real the workers' right to organize and bargain collectively through representatives of their own choosing published in Section 7-A of the National Recovery Act but effectively nullified by persistent opposition of anti-union employers.

The Education and Labor Committee strengthened the bill by adding a clause requiring employers to bargain collectively with employes when the latter demanded such action.

The organized labor movement believes the Wagner bill is the most vital piece of legislation affecting the workers' welfare, liberty and opportunity for many years.

It affirms labor's right to bargain collectively through representatives of their own choosing without coercion from employers, outlaws company unions promoted and financed by employers, and creates a labor relations board to act as a fair dispute with sufficient authority to prevent employers from obstructing the new law by the procedure they have used to kill the labor section of the Recovery Act.

RISE OF SOCIALISM IN CANADA VISIONED

By A. F. of L. News Service.

That the rise of socialism in Canada is such an extent that it will cause a realignment of existing parties is visioned by J. Lloyd Francis, who says:

W. G. Rowel, one of the prominent members of the Conservative party, now publisher of the government, predicts that Conservatives and Liberals will ambushed by the forces of unite against the common menace of Socialism. He based his conviction on the belief that the nation obviously has a struggle between capitalism and socialism ahead, that he did not think socialism could result during the present generation in anything but bloodshed.

The conservative group of so-called socialism in Canada is expressed by the Conservative Commonwealth Federation, which limits its present program to nationalization of transportation, power and banking.

National Labor Conference Demands Prompt Enactment of Wagner-Connery Industrial Relations Bill Into Law

If the Bill Is Shelved "It Will Be An Evidence That Labor Was Misled When Section 7-A Was Originally Enacted," the Conference Declared.

Green Tells Delegates Industry Has "Sabotaged" Section 7-A and That It Has Been Turned Into "An Instrument of Persecution of the Workers."

By A. F. of L. News Service.

Washington.—Immediate enactment of the Wagner-Connery Labor Disputes Bill was emphatically demanded by the special conference of representatives of the National and International Unions, State Federations of Labor and City Central Bodies, convened by William Green, president of the American Federation of Labor, to consider "deal definitely and concretely with organized labor's legislative program now before the United States Congress."

As necessary supplements to the Wagner-Connery Bill the conference included the Black-Connery Thirty-Hour-Week Bill, the Guffey Coal Stabilization Bill, and the extension of the National Industrial Recovery Act.

Wagner Bill Reported

The definite purpose of the conference, which numbered around four hundred delegates from all sections of the country, was accentuated when Senator Walsh of Massachusetts, chairman of the Senate Committee on Education and Labor, announced that committee had voted to report the bill to the Senate with an amendment which included refusal of employers to bargain collectively among the "unfair practices" banned by the measure. As approved by the committee the bill also prohibits employers from financing company unions, provides for majority rule in collective bargaining, sets up a permanent independent labor relations board to administer the act.

Industry Challenges Labor, Green Says

The militant spirit of the conference was sounded by Mr. Green when he declared in his opening address that the published offer of the National Manufacturers Association to provide industry with twenty billion dollars to create employment if Congress would enact certain outstanding labor bills before that body, was a distinct challenge to organized labor.

"The legislative program is being shelved in the interests of the manufacturers, then democracy in our United States is doomed forever," he said. "The day of bulldozing must come to an end that the workers may be made free."

Section 7-A Used to Persecute Workers

Turning to Section 7-A of the National Industrial Recovery Act, Mr. Green charged that industry had "sabotaged" it and that it had been transformed into "an instrument of persecution of the workers."

"Better, thousand times that Congress had never given us Section 7-A than that it should be used as an instrument of persecution of those who believed in it," he declared.

Among the forces combined with manufacturers to defeat the Wagner-Connery Bill, Mr. Green included the Communists and the American Civil Liberties Union. He said employers feared that if workers had a free choice they would "come marching into the American Federation of Labor."

Self-Organization Right Demanded

The resolution which the conference adopted was prepared by a committee of which Matthew Woll was secretary. It declared that labor's right to organize guaranteed in Section 7-A had turned out to be nothing but a paper right. To remedy this injustice the resolution stated: "Congress must declare that the wage-earners' right to self-organization is in every way equal to and as necessary as the same right so widely applied by employers with governmental approval."

Wagner Bill Must Pass

The resolution asserted that the Wagner Bill was designed to make real the rights of labor set forth in Section 7-A, and declared that if Congress failed to enact the Wagner bill "it will be an evidence that labor was misled when Section 7-A was drafted." It was originally enacted and that labor's right to trade union organization does not end and is not limited to compare with the employers' right to collective action through organization."

Enlists Support of Congressmen

After the resolution was adopted, Mr. Green urged the delegates to make their wishes known to members of Congress in an emphatic and persistent manner.

"Go to see your Congressmen and Senators tomorrow and line them up for these progressive bills," he said.

"Then return home and write letters to Washington demanding their enactment. Get your friends among merchants, professional people and the preachers to do likewise.

"Remember that Congressmen are more responsive to a letter from back home than to all the wires we can make here in Washington."

When the conference adjourned the delegates agreed to split up into State groups and begin immediate action on Senators and Representatives for prompt enactment of the Wagner-Connery Labor Disputes Bill, the Black-Connery Thirty-Hour-Week Bill, the Guffey Coal Stabilization Bill, and the extension of the Recovery Act.

Green Puts Blame on General Motors And Wolman Board for Auto Strikes

Says Walkout Was Caused by Company's Refusal to Permit Employes to Bargain Collectively Through Representatives Of Their Own Choosing.

By A. F. of L. News Service.

Washington.—The American Federation of Labor is solidly supporting the auto workers on strike in Toledo and Norwood, Ohio, William Green, president of the American Federation of Labor, declared in a statement issued from the headquarters of the A. F. of L. here.

"The strikes were primarily caused, Mr. Green said, by the positive refusal of General Motors management to permit the company's employes "to bargain collectively through representatives of their own choosing and to have the entire automobile workers industry bargaining purposes officially recognized." Resentment which the auto workers have felt for the Automobile Labor Board was also included among the elements which resulted in the walkout.

"Accurate information reaching the Executive Council of the American Federation of Labor shows that more than 200,000 workers are now on strike," Mr. Green said. "A Chevrolet manufacturing plant at Toledo, Ohio, which is reported to be the largest in the world because it manufactures essential automobile parts for production plants is on strike. Another important plant at Norwood, Ohio, is on strike. The Fisher Body plant at Cleveland, Ohio, and a Chevrolet assembling plant, at Atlanta, Ga., were closed down by action of the General Motors management.

Workers Originated Strikes

"The strikes which occurred at Toledo and Norwood, Ohio, originated among the workers. They were ordered by the workers themselves. They were not solicited and directed by outside sources or by the American Federation of Labor itself. These strikes grew out of a deep-seated sense of grievances existing among these workers, because the American Federation of Labor will attempt to those engaged in these strikes a full measure of cooperation and support.

Collective Bargaining Banned

"The strikes are traceable to several causes.

"First, the employes of General Motors engaged in these strikes have been denied the exercise of their rights, under Section 7-A of the National Recovery Act. Because of the denial of the exercise of the right to bargain collectively they have gone on strike for the purpose of enforcing a recognition and acceptance of these rights.

"It is axiomatic that the employes of a large corporation, such as General Motors, exercising all its rights, under the industrial codes of fair practice, should be compelled to go on strike in order to secure for themselves the exercise of rights guaranteed to them by the same industrial codes of fair practice.

"These workers should be permitted to bargain collectively through representatives of their own choosing and to have the agency selected by them for collective bargaining purposes officially recognized. The management of General Motors has refused to do.

Wolman Labor Board Condemned

"Another cause of the strike is directly traceable to the resentment which automobile workers have against the Automobile Labor Board of which Dr. Leo Wolman is chairman.

"The Board is impotent. It cannot function. It is regarded as the instrumentality of the automobile manufacturers. It has lost the confidence of the workers—so much so that they protest against the continuance of the imposition upon them.

"There can be no harmony or industrial peace in the automobile industry until the Automobile Labor Board is abolished or reorganized so as to accord the right to present their grievances to the National Labor Relations Board or to a regional board created by it for settlement.

New Board Is Urged

"I am of the opinion that if the Automobile Labor Board had been removed months ago when the American Federation of Labor requested official relationship with it and an Automobile Labor Relations Board created under Resolution No. 44, similar to the National Labor Relations Board, which all disputes could be referred for adjustment, that the strikes and threatened strikes could have been settled expeditiously and fairly.

"The automobile assembling and production plants shut down by General Motors are idle either because it is impossible to secure the essential parts for automobile construction or because the management of General Motors shut the plants down voluntarily and for no apparent reason."